



CITY OF DURHAM | NORTH CAROLINA

Date: January 27, 2016

To: Thomas J. Bonfield, City Manager

Through: W. Bowman Ferguson, Deputy City Manager

From: Marvin G. Williams, Director of Public Works

Subject: Revision to City Code Section 70-129 – Economic Development District changes

Executive Summary

Currently, the Eno Economic Development District in Orange County, NC is eligible for the extension of City of Durham utilities if a voluntary annexation petition is received and approved by City Council. In certain circumstances, however, the City may wish to extend utilities to properties in this zone without requiring annexation. Under the current Chapter 70 – Utilities of City of Durham Code of Ordinances, utilities may be extended without annexation only to properties that fall within the limited exceptions already provided. The City Manager's Office has directed the Public Works Department to bring this issue before City Council for consideration of a code revision that will give City Council flexibility in extending utilities to properties within an established economic development district with or without annexation.

Recommendation

The Public Works Department recommends that City Council adopt an ordinance amending Section 70-129 of the Durham City Code of Ordinances as noted in the attached proposed code revision.

Background

In January 2012 the City entered into an interlocal agreement with Orange County for the construction and operation of water and sewer facilities in the Eno Economic Development Zone of Orange County. The Eno Economic Development District is located along a portion of HWY 70 in Orange County (see attached map). This interlocal agreement allows the City to extend utilities into this portion of Orange County. The agreement also allows the City to require annexation through utility extension agreements.

Issues and Analysis

Under current Chapter 70 provisions of the City Code, utilities cannot be extended outside the City Limits unless a project falls within the limited list of exceptions provided in City Code § 70-129 (see attached current code section). The Code does not currently provide an exception to the annexation requirement for the extension of utilities into an economic development zone entered into by the City with another local government. In some situations it may be in the City's best interest to extend utilities to an economic development zone outside the City without requiring annexation.

Alternatives

The alternative would be to leave the ordinance as is and continue to only allow extensions of utilities to projects in accordance with the current version of City Code § 70-95 *et. seq.*

Financial Impacts

This section of the report is not applicable.

SDBE Summary

This section of the report is not applicable.